COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE	OF PURCHASED GAS)		
ADJUSTMENT	FILING OF COLUMBIA)	CASE NO	, 90 - 063-1
GAS OF KENT	TUCKY, INC.)		

O R D E R

IT IS ORDERED that Columbia Gas of Kentucky, Inc. ("Columbia") shall file the following information with this Commission no later than 7 days from the date of this Order. If the information cannot be provided by the stated date, a motion for an extension of time should be submitted stating the reason a delay is necessary and a date by which the information will be furnished. Such a motion will be considered by the Commission.

- 1. Explain the derivation of the Tennessee Gas Pipeline ("Tennessee") firm transportation rate of \$16.41 on Sheet 3 of Schedule No. 1. Is the demand rate \$14.17 as footnote 1 states, or is it \$13.81?
- 2. Original Sheet No. 30 of Tennessee's tariff sets out several transition costs and surcharges. Is the \$2.60 gas supply realignment surcharge the only charge that Columbia expects to be billed and is proposing for recovery?
- 3. What costs of Tennessee's does the \$2.60 represent, and why is it appropriate for Columbia to recover these costs through its gas cost adjustment?

4. Show the effect on expected gas cost and all demand cost recovery from FI and GSO customers if:

a. Tennessee charges are passed through at the level currently in effect, and

b. Tennessee charges are passed through using the restructured demand charge proposed for September 1, 1993 exclusive of any transition costs.

Done at Frankfort, Kentucky, this 20th day of August, 1993.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

Executive Director